



State of Utah

Department of Natural Resources

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Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

April 5, 2007

CERTIFIED RETURN RECEIPT
7004 2510 0004 1824 8934

Harold Roberts
Dennison Mines Corporation
Independence Plaza
1050 Seventeenth Street Suite 950
Denver, Colorado 80265

Subject: Second Review of Notice of Intention to Commence Large Mining Operations,
Dennison Mines (USA) Corporation, Tony M Mine, M0170049, Task 1627,
Garfield County, Utah

Dear Mr. Roberts:

The Division has completed a review of your initial response for the Tony M Mine received March 1, 2007. After reviewing the information, the Division has the following comments which need to be addressed before tentative approval may be granted.

The comments are listed below under the applicable Minerals Rule heading. Please address only those items requested in the attached technical review. Send replacement pages of the original notice **using redline and strikeout text** and indicate how these are to be incorporated into the current approved plan using the attached Form-MR-REV-att. After the notice is determined technically complete you will be asked that you send us two clean copies of the complete; one copy will be returned

The Division is currently reviewing the surety calculations included in the notice and will need to receive concurrence from the Bureau of Land Management and the School and Institutional Trust Lands Administration (SITLA).

We understand SITLA did not receive a copy of the plan, and they may have comments that will need to be addressed once they have a chance to conduct their review.

If you have any questions in this regard please contact me, Tom Munson, or Paul Baker of the Minerals Staff. If you wish to discuss this review, please contact us at your earliest convenience. Thank you for your cooperation in completing this permitting action.

Sincerely,

Susan M. White
Mining Program Coordinator
Minerals Regulatory Program

SMW:PBB:pb
Attachment: Review, Form MR-REV-att
cc: Buzz Rakow, Hanksville BLM
O:\M017-Garfield\M0170049-TonyM\Draft\LMO-2nd-REVIEW-sw.doc

070003

SECOND REVIEW OF NOTICE OF INTENTION TO COMMENCE LARGE MINING OPERATIONS

**Dennison Mines
Tony M Mine**

**M0170049
April 5, 2007**

R647-4-104 - Filing Requirements and Review Procedures

The name of the permittee/operator/applicant has been changed from International Uranium (USA) Corporation to Dennison Mines (USA) Corp.

According to information available on the web site of the Division of Corporations, Dennison Mines (USA) Corp. is not registered to do business in Utah. The operator needs to be registered to do business in Utah. Because Dennison Mines is not listed with the Division of Corporations, the Division cannot verify the company officers. (PBB)

The business license number listed in the notice is for International Uranium (USA), and this will need to be changed when Dennison Mines is registered. (PBB)

R647-4-105 - Maps, Drawings & Photographs

105.2 Surface facilities map

Figure 4A Surface Facilities Map-Portal Area, Figure 5 Portal Area Detail map, and Figure 7 Topsoil Stripping Map, need to be updated to show the revisions associated with adding another pond to the surface facilities area, new boundaries, etc. (see Exhibit G-1). (TM)

R647-4-107 - Operation Practices and R647-4-110 - Reclamation Plan

107.4 Deleterious material safety stored or removed and 110.4 Description or treatment/disposition of deleterious or acid forming material

The plan includes a commitment to analyze pond sediments following mining activities, to compare these analyses to baseline conditions, and remove contaminated sediments and place them into underground mine workings.

Please provide further details about this commitment and provide baseline data including sampling methodology and parameters sampled. To what baseline conditions will post-mining analyses be compared? Will the baseline be from the existing pond sediments or surrounding undisturbed areas? (PBB, SW)

Is it intended that any exceedance of baseline conditions anywhere on site will lead to disposal in the mine? To what depth will the material be excavated? Please include a line item in the bond calculation for this work. The Division may consider covering materials contaminated with gamma radiation also acceptable. (PBB, SW)

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April 5, 2007

What will be the potential impact to in mine ground water from the storage of these materials? Please discuss the potential solubility of the radioactive elements that will be on site at the end of mining. (SW)

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